



State of Wisconsin • DEPARTMENT OF REVENUE

2135 RIMROCK ROAD • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933 • 608-266-6466 • FAX (608) 266-5718
http://www.revenue.wi.gov

Scott Walker
Governor

Richard G. Chandler
Secretary of Revenue

TO: Richard G. Chandler, Secretary

FROM: Paul Ziegler, Sales and Property Tax Policy Team Leader

RE: Property tax calculations

DATE: January 11, 2013

The Division of Research and Policy has calculated that there was a 0.6% overall statewide decline in property taxes for the median value home for the December 2012 tax bills.

As shown below, this is the second consecutive decrease in the tax bill for the median value home and only the third decrease since the December 1999 tax bills. The tax bill for the median value home assumes that the home pays the statewide average tax rate for each taxing jurisdiction.

Similar to 2011, new construction (net of improvements removed) added an extra \$3.6 billion (0.7%) of property value to the tax base upon which property taxes are collected. This additional property tax base allows the tax burden to be dispersed more broadly. New construction, a higher lottery credit, and a smaller share of taxes allocated to residential property allows the overall net property tax increase of 0.9% to become a decrease of 0.6% for the median value home as highlighted below. In 2011, the lottery credit was applied to the first \$9,000 of home value. In 2012, the lottery credit was applied to the first \$9,200 of home value. The average credit increased slightly from about \$89 to \$94.

Property Taxes -- State Total Net Taxes and Typical Home

	State Total NET Property Taxes		Median Value Home		Percent Increase over prior year
	NET property taxes after levy, 1st dollar, & lottery credits: \$millions	Percent Increase in NET taxes over prior year	Value of Median Home	Property taxes net of levy, 1st dollar, & lottery credits	
December 1997	4,961	1.1%	97,200	2,075	-0.7%
December 1998	5,363	8.1%	101,100	2,181	5.1%
December 1999	5,505	2.7%	106,200	2,110	-3.3%
December 2000	6,045	9.8%	112,200	2,332	10.5%
December 2001	6,470	7.0%	119,400	2,429	4.2%
December 2002	6,788	4.9%	126,500	2,518	3.7%
December 2003	7,100	4.6%	133,800	2,587	2.7%
December 2004	7,548	6.3%	142,800	2,705	4.6%
December 2005	7,738	2.5%	153,500	2,729	0.9%
December 2006	7,969	3.0%	164,100	2,733	0.2%
December 2007	8,448	6.0%	170,300	2,838	3.8%
December 2008	8,729	3.3%	171,800	2,856	0.7%
December 2009	9,103	4.3%	167,900	2,918	2.1%
December 2010	9,336	2.6%	161,300	2,962	1.5%
December 2011	9,351	0.2%	157,600	2,951	-0.4%
December 2012	9,431	0.9%	150,700	2,934	-0.6%